



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Olympia, WA 98504-5000

October 19, 2005

TO: Children's Service Stakeholders, Tribal Governments

FROM: Cheryl Stephani, Assistant Secretary
Children's Administration

SUBJECT: IMPROVING SERVICES FOR CHILDREN AND FAMILIES

In July I wrote to you about a project to review Children's Administration service contracts. The Children's Administration had undertaken an independently led review of contracts as part of a continued effort to strengthen services to children and families and to enhance our business practices and financial accountability. I invited you to attend one of three meetings to provide your comments regarding strengthening contracted services.

Over three hundred individuals attended these meetings. Attendees identified the following issues as important in the business partnership between the Children's Administration and community based providers of service:

- Providers need planning time to react to policy and budget changes coming from the Children's Administration;
- Predictability of referrals in order to manage business;
- Consistency of communication from Headquarters down to line staff regarding expectations for services provided to clients;
- Respect for the administrative requirements of contractors by providing timely payments and contracts;
- Good communication channels; and
- Ability to discuss contract requirements, especially those provisions which require more administrative process.

In mid-August using the information gathered at the meetings, we began an internal assessment of our contracted services. The purpose of the internal assessment was to identify any apparent areas of improvement that we need to discuss with you to strengthen contracted services to help keep children safe, achieve permanency and enhance their well being.

As part of this process a Service Provider Questionnaire was sent to contractors giving an opportunity for comment on specific actions needed to improve the business partnership with the Children's Administration. Thank you for your candid responses. We heard some good things, and we also heard that we have some improvements to make. We are committed to making improvements which will strengthen our business partnership with you.

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We have completed the internal assessments of most of our contracted services. We identified many areas of needed improvement to move contracted services closer to the goals I outlined at the meetings.

The goals for contracted services are:

- Effective and efficient contracted services which have demonstrated outcomes are available to match client needs;
 1. Significant increase in use of performance based contracts.
 2. Use of Evidence Based Practice where appropriate.
- Effective and efficient contracted services are available to clients in all regions;
- Strengthened business partnership between Children's Administration and contractors.

We will need your help as we move to the next stage of the contract review. For contracts extended beyond December 31, 2005, the following set of minimum requirements will be incorporated:

- A fully-executed contract with current Children's Administration language;
- Work Orders must be converted to a formal contract;
- Services provided must be outlined in the Statement of Work;
- For 1/12 monthly payments, contracts must contain a budget, monthly invoice documenting expenditure, and language regarding periodic reconciliation report and Children's Administration ability to recoup unspent funds;
- Several technical changes in the Special Terms and Conditions.

In a few contracts or contract types there are some additional changes which we will discuss with you for inclusion in contracts effective January 1, 2006. We will be in touch with you in writing as soon as possible to begin the individual discussions.

In addition, staff of the Children's Administration will involve key stakeholders, including providers, in the development of recommendations to address other identified issues. We anticipate that the outcome of these discussions will be included in contracts which become effective July 1, 2006.

I want to emphasize again that the Contract Review is not a budget reduction exercise. There is no budget target associated with this review. Also, I want to stress that no changes will be made without consultation with providers of service. Staff of the Children's Administration will soon be communicating with contractors regarding specific issues identified in the internal assessments.

Community based services are an integral part of the state's child welfare system. Our mutual objective in this process is better and more accessible services for our clients.

Thank you again for your help, involvement and commitment to improving services to children and their families.